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STUDENT IDENTIFICATION NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

T2, 2018/ 2019

BHR7094 – HUMAN RESOURCE MANAGEMENT
(MBA Full Time)

28 JANUARY 2019
9.00 a.m – 12.00 p.m
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of **FOUR (4)** pages including the cover page.
2. SECTION A: Case Analysis (60 marks)
3. SECTION B: Short Essay (40 marks)
4. The total marks for this exam is 100.
5. Please write your answers in the answer booklet provided.

SECTION A:**QUESTION NO. 1**

Read the Case Study below and answer the following questions. (20 marks)

Application case: Jack Nelson's problem.

As a new member of the board of directors for a local bank, Jack Nelson was being introduced to all the employees in the home office. When he was introduced to Ruth Johnson, he was curious about the work, and asked her what the machine she was using did. Johnson replied that she really did not know what the machine was called or what it did. She explained that she had only been working there for 2 months. However, she did know precisely how to operate the machine. According to her supervisor, she was an excellent employee.

At one of the branch offices, the supervisor in charge spoke to Nelson confidentially, telling him that "something was wrong", but she didn't know what. For one thing, she explained, employee turnover was too high, and no sooner had one employee been put on the job then another one resigned. With customers to see and loans to be made, she continued, she had little time to work with the new employees as they came and went.

All branch supervisors hired their own employees without communication with the home office or other branches. When an opening developed, the supervisor tried to find a suitable employee to replace the worker who had quit.

After touring the 22 branches and finding similar problems in many of them, Nelson wondered what the home office should do or what action he should take. The banking firm generally was regarded as being a well-run institution that had grown from 27 to 191 employees during the past 8 years. The more he thought about the matter, the more puzzled Nelson became. He couldn't quite put his finger on the problem, and he didn't know whether to report his findings to the president.

Source: From Supervision in Action: The Art of Managing Others, 4th Edition, Pearson Education Inc., Upper Saddle River, New Jersey

- a. Do you think setting up a Human Resource unit in the main office would help? Discuss. (10 marks)
- b. What specific functions should a Human Resource unit carry out? (10 marks)
- c. What Human Resource functions would then be carried out by supervisors and other line managers? (10 marks)

(Total: 30 Marks)

Continue

QUESTION 2

Read the Case Study below and answer the following questions. (20 marks)

Application case: Carter Cleaning Company.

Honesty Testing

Jennifer Carter, of the Carter Cleaning Centers, and her father have what the latter describes as an easy but hard job when it comes to screening job applicants. It is easy because for two important jobs- the people who actually do the pressing and those who do the cleaning/spotting the applicants are easily screened with about 20 minutes of on the job testing. As with typists, Jennifer points out, "Applicants either know how to press clothes fast or how to use cleaning chemicals and machines, or they don't and we find out very quickly by just trying them out on the job. On the other hand, applicants screening for the stores can also be frustratingly hard because of the nature of some of the other qualities that Jennifer would like to screen for. Two of the most critical problem facing her company are employee turnover and employee honesty. Jennifer and her father sorely need to implement practices that will reduce the rate of employee turnover. If there is a way to do this through employee testing and screening techniques, Jennifer would like to know about it because of the management time and money that are now being wasted by the never ending need to recruit and hire new employees. Of even greater concern to Jennifer and her father is the need to institute new practices to screen out those employees who may be predisposed to steal from the company.

Employee theft is an enormous problem for the Carter Cleaning Centers, and not just cash. For example, the cleaner/spotter often open the store without a manager present, to get the days' work started, and it is not unusual for that person to "run a route". Running a route means that an employee canvasses his or her neighborhood to pick up people's clothes for cleaning and then secretly cleans and presses them in the Carter store, using the companies' supplies, gas and power. It would also not be unusual for an unsupervised person (or his or her supervisor, for that matter) to accept a 1 hour rush order for cleaning or laundering, quickly clean and press the item, and return it to the customer for payment without making out a proper ticket for the item posting the sale. The money, of course, goes into the worker's pocket instead of into the cash register.

The more serious problem concerns the store manager and the counter workers who actually handle the cash. According to Jack Carter, "You would not believe the creativity employees use to get around the management controls we set up to cut down on employee theft." As one extreme example of this felonious creativity, Jack tells the following story." To cut down on the amount of money my employees were stealing, I had a small sign painted and placed in front of all our cash registers. The sign says "YOUR ENTIRE ORDER FREE IF WE DON'T GIVE YOU A CASH REGISTER RECEIPT WHEN YOU PAY. CALL 552-0235. It was my intention with this sign to force all our cash handling employees to give receipts so the cash register would record them for my accountants.

Continue

After all, if all the cash that comes in is recorded in the cash register, then we should have a much better handle on stealing in our stores. Well, one of our managers found a way around this. I came into the store one night and noticed that the cash register this particular manager was using just didn't look right, although the sign was placed in front of it. It turned out that every afternoon at about 5.00 p.m. when the other employees left, this character would pull his own cash register out of a box that he hid underneath our supplies. Customers coming in would notice the sign and, of course the fact that he was meticulous in ringing up every sale. But unknown to them, for about 5 months the sales that came in for about an hour every day went into his cash register, not mine. It took us that long to figure out where our cash for that store was going."

Source: Honesty Testing at Carter Cleaning Company, 4th Edition, Pearson Education Inc., Upper Saddle River, New Jersey

- a. What would be the advantages and disadvantages to Jennifer's company of routinely administering honesty tests to all its employees? (10 marks)
- b. Specifically, what other screening techniques could the company use to screen out theft-prone and turnover-prone employees, and how exactly could these be used? (10 marks)
- c. How should her company terminate employees caught stealing, and what kind of procedure should be set up for handling reference calls about these employees when they go to other companies looking for jobs? (10 marks)

(Total: 30 Marks)

QUESTION 3

- a. Define the concept of Competency-Based Pay. Identify the (3) three reasons organization use competency based pay. (10 marks)
- b. When employee discipline is necessary and how can firms ensure that the disciplinary process is fair? Discuss your answer. (10 marks)

(Total: 20 Marks)

QUESTION 4

- a. Identify (3) THREE basic causes of workplace accidents. Discuss the role of OSHA in regards to workplace accidents. (10 marks)
- b. Explain how compensation for managers and professionals differ from compensation for clerical and production workers at a firm. (10 marks)

(Total: 20 Marks)
End of Paper